

March 11, 2021

IN RE: Application of for Designation as an Eligible)
 Telecommunications Carrier in the State of) **STIPULATION**
 South Carolina)
)

This Stipulation is made by and among the South Carolina Office of Regulatory Staff (“ORS”) and CarolinaConnect Cooperative, Inc. (“Company” or “Applicant”) (collectively referred to as the “Parties” or sometimes individually as a “Party”).

Whereas, Applicant is seeking designation as an Eligible Telecommunications Carrier ("ETC") in 327 eligible census blocks located in Newberry, Lexington and Saluda Counties in order to receive federal universal service support under Sections 214 and 254 of the federal Communications Act of 1934 ("Communications Act") and pursuant to the Federal Communications Commission's ("FCC") Rural Digital Opportunity Fund Phase I (904) Auction;

Whereas, the Application was filed pursuant to § 214(e) of the Communications Act, and the rules and regulations of the Public Service Commission of South Carolina (“Commission”) and the FCC;

Whereas, ORS is a statutory party to this action. See S.C. Code Ann. § 58-4-10(B);

Whereas, no other comments or petitions to intervene were received in response to the notice of filing;

Whereas, one of these requirements is for Applicant to be designated as an ETC in each state that it received RDOF in the funded areas by June 7, 2021;

Whereas, 47 C.F.R. § 54.101(a)(1) defines voice telephony services eligible for universal service support as services that provide voice grade access to the public switched network or its functional equivalent; minutes of use for local service provided at no additional charge to end users; access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911, to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems; and toll limitation services to qualifying low-income consumers as provided in subpart E. of this part;

Whereas, Section 54.101(a)(2) defines broadband Internet access services eligible for universal service support as services that provide the capability to transmit data to and receive data by wire or radio from all or substantially all Internet endpoints, including any capabilities that are incidental to and enable the operation of the communications service, but excluding dial-up service;

Whereas, the FCC does not require the Applicant to submit a five-year plan for proposed network improvements and upgrades and no longer requires ETCs provide equal access;

Whereas the FCC has adopted more specific measures to track deployment, including annual reporting of service to geocoded locations and certifications of compliance with benchmark milestones, provided a “more defined yardstick by which to measure their progress towards the universal availability of voice and broadband service” in winning bidders designated service areas;

Whereas, Applicant is required to maintain a functional network in emergency situations;

Whereas, Applicant is required to commit to objective measures to protect consumers;

Lifeline service does not distinguish between toll and non-toll calls in the pricing of the service.

5. As an ETC, Applicant agrees to provide access to emergency services for its customers in remote and currently unserved and underserved portions of the 327 census blocks for which it seeks ETC designation.
6. As an ETC, Applicant agrees to provide ORS with the list of census blocks and the estimated cost provided to the FCC for upgrading the census blocks within seven days of ETC designation.
7. As an ETC, Applicant agrees to provide estimated timelines for each census block it proposes to serve.
8. As an ETC, Applicant agrees to offer a Lifeline Broadband option for each census block that it has been awarded RDOF upon completion of construction to that census block.
9. As an ETC, Applicant will advertise these offerings in a manner that is designed to fully inform potential customers of the supported services available to them, to disclose all associated rates, and to ensure that qualifying low-income individuals are informed about the availability and cost of Lifeline programs.
10. As an ETC, Applicant, pursuant to FCC regulations, must: (1) certify that it will comply with the service requirements applicable to the support that it receives; (2) demonstrate its ability to remain functional in emergency situations; (3) demonstrate that it will satisfy consumer protection and service quality standards.
11. As an ETC, the Applicant agrees to report to the FCC and the Commission on a quarterly or annual basis the number of unfulfilled requests for service, as required.

19. Subject to the provisions set forth herein and compliance with regulatory assessments such as the Dual Party Relay Fund, the South Carolina Universal Service Fund, and gross receipts, where applicable, ORS does not oppose the Application of CarolinaConnect Cooperative, Inc. for designation as an eligible telecommunications carrier.
20. As an ETC, Applicant will not "cream-skim," that is, Applicant intends to fully comply with its obligation to serve all census blocks assigned to it in accordance with the milestones set forth in the RDOF Order.
21. ORS is charged by law with the duty to represent the public interest of South Carolina. Pursuant to S.C. Code § 58-4-10(B) (Supp. 2018) 'public interest' means the concerns of the using and consuming public with respect to public utility services, regardless of the class of customer and preservation of continued investment in and maintenance of utility facilities so as to provide reliable and high quality utility services.
22. ORS believes the Stipulation reached among the Parties serves the public interest as defined above. The Parties agree that this Stipulation is reasonable, is in the public interest, and is in accordance with law and regulatory policy.
23. ORS agrees to support expedited review for the Applicant as it has agreed to the terms and conditions of ETC designation. This Stipulation contains the complete agreement between the Parties regarding the Application. There are no other terms or conditions to which the Parties have agreed.
24. The Parties agree to advocate that the Commission accept and approve this Stipulation in its entirety as a fair, reasonable and full resolution of all issues in the above-captioned proceeding and that the Commission take no action inconsistent with its adoption. The

signature pages combined with the body of the document constituting an original and provable copy of this Stipulation. The Parties agree that in the event any Party should fail to indicate its consent to this Stipulation and the terms contained herein, then this Stipulation shall be null and void and will not be binding on any Party.

[PARTY SIGNATURES TO FOLLOW ON SEPARATE PAGES]

A handwritten signature in black ink, appearing to read 'C. L. Hammonds', with a long horizontal flourish extending to the right.

C. Lessie Hammonds, Esquire
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